

**AGENDA REGULAR MEETING  
PASADENA COMMUNITY ACCESS CORPORATION  
Tuesday, October 3, 2023  
7:00 p.m. at 150 S. Los Robles Ave., Suite 101**

**BOARD OF DIRECTORS**

Kim Washington, Vice President (District 1)  
Jan Sanders, Treasurer (District 2)  
Anna Hawkey Jablonski (District 3)  
Alan Clelland (District 4)  
Michael Ocon (District 5)  
Ken Chawkins, President (District 6)  
James De Pietro (District 7)  
Gail Schaper-Gordon (Mayor's Representative)  
Lisa Derderian (City Manager's Representative)  
Beth Leyden, Secretary (PUSD Representative)  
Alexander Boekelheide (PCC Representative)

**STAFF**

George Falardeau, Executive Director CEO  
Chris Miller, Chief Operating Officer  
Bobbie Ferguson, Chief Production Officer  
Jasiri Jenkins-Glenn, Director of Community Engagement  
Liza Rodriguez, Office Administrator/Asst. to the Executive Director CEO

**MISSION STATEMENT**

The Pasadena Community Access Corporation is dedicated to the community access function of the Pasadena Telecommunications system and shall be operated exclusively for charitable, scientific, literary and educational purposes. In fulfilling these purposes, the corporation shall strive to achieve communication, facilitation, and development of media skills toward the ends of self-expression and community cohesion and improvement.

Item on the agenda may not be called in order listed.

Agendas and supporting documents are available on the Internet at <http://www.pasadenamedia.org>

Materials related to an item on this Agenda submitted to Pasadena Media after distribution of agenda packet are available for public inspection in the Pasadena Media Administrative office at 150 S. Los Robles Avenue, Suite 101, Pasadena, during normal business hours.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact PCAC at (626) 794-8585. Notification 24 hours prior to the meeting will enable PCAC to make reasonable arrangements to assure accessibility to this meeting.

**DISTRIBUTION:**

PCAC Board of Directors  
City Council  
City Manager  
City Attorney  
City Clerk  
Central Library  
Public Information Officer  
Los Angeles Times

Los Angeles Times  
Pasadena Independent  
Pasadena Journal  
Pasadena Now  
Pasadena Star News  
Pasadena Weekly  
La Opinión  
Conversation Live  
Local News Pasadena

**NOTICE OF REGULAR MEETING  
PASADENA COMMUNITY ACCESS CORPORATION (PCAC)  
BOARD OF DIRECTORS**

**NOTICE IS HEREBY GIVEN** that a regular meeting of the Pasadena Community Access Corporation (PCAC) Operating Company (dba Pasadena Media) is scheduled for **Tuesday, October 3, 2023**, starting at **7:00 p.m.**, at **PCAC** located at **150 S. Los Robles Ave., Ste. 101, Pasadena, CA 91101**.

**AGENDA**

**PUBLIC MEETING**

- INTRODUCTION OF NEW MEMBERS/CALL TO ORDER/ROLL CALL
- APPROVAL OF SEPTEMBER 5, 2023 SPECIAL BOARD MEETING MINUTES
  - Motion to Approve
- PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA - Please limit comments to three minutes each.
- TREASURER REPORT
- EXECUTIVE DIRECTOR REPORT
- OLD BUSINESS
- NEW BUSINESS
  - AUDIT PRESENTATION: FY 22-23 PCAC FINANCIAL STATEMENTS AND LANCE, SOLL & LUNGHARD, LLP'S REPORT
    - Action Item
- ANNOUNCEMENTS BY BOARD MEMBERS AND STAFF
- ADJOURNMENT

\_\_\_\_\_  
Ken Chawkins, President, PCAC Board of Directors

I HEREBY CERTIFY that this notice, in its entirety, was posted on both the Council Chambers Bulletin Board, Room 247, and the Information Kiosk (in the rotunda area), at City Hall, 100 N. Garfield Ave., Pasadena, CA, in Pasadena Community Access Corporation Suite 101, and a copy was distributed to the Central Library for posting on the 29<sup>th</sup> day of Sept, 2023.

\_\_\_\_\_  
Liza Rodriguez, Office Administrator

**PASADENA COMMUNITY ACCESS CORPORATION  
BOARD OF DIRECTORS  
REGULAR MEETING  
150 S LOS ROBLES AVE  
PASADENA, CA 91101**

Minutes of Pasadena Community Access Corporation

This regular meeting of the PCAC Board of Directors was held on Tuesday, September 5, 2023.

**PUBLIC MEETING**

- I. **INTRODUCTION OF MEMBERS/CALL TO ORDER/ROLL CALL** - *President Chawkins called the meeting to order at 7:04 p.m.*

**Board Members Present, Absent, of Late at the time of the call to order:**

Kimberly Washington, Vice President (District 1), present  
Jan Sanders, Treasurer (District 2), present  
Anna Hawkey Jablonski (District 3), present  
Alan Clelland (District 4), present  
Michael Ocon (District 5), present  
Ken Chawkins, President (District 6), present  
James De Pietro (District 7), present  
Gail Schaper-Gordon (Mayor's Representative), present  
Beth Leyden, Secretary (PUSD Representative), present  
Alexander Boekelheide (PCC Representative), present  
Lisa Derderian (City Manager's Representative), present

**Staff:**

George Falardeau, Executive Director/CEO, present  
Chris Miller, Chief Operating Officer, present  
Bobbie Ferguson, Chief Production Officer, absent  
Jasiri Jenkins-Glenn, Director of Community Engagement, present  
Liza Rodriguez, Office Administrator/Asst. to the ED/CEO, present  
Javan Rad, Chief Assistant City Attorney, present

- I. **APPROVAL OF AUGUST 1, 2023 SPECIAL BOARD MEETING MINUTES**
- **Motion to Approve:** *Alex Boekelheide moved to approve minutes for August 1, 2023. Seconded by Jan Sanders. The motion passed with abstentions from James De Pietro, Gail Schaper-Gordon, Michael Ocon, Anna Hawkey Jablonski, and Alan Clelland. No public comment.*
- II. **PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA** – Please limit comments to three minutes each.
- No public comment.
- III. **TREASURER REPORT**
- Treasurer's report presented Jan Sanders, per agenda packet with the special introduction that we are "right on the dime so not to worry." *Information item only. No public comment.*

#### **IV. EXECUTIVE DIRECTOR REPORT**

- Executive Director's report presented by ED/CEO George Falardeau and staff per agenda packet. *Information item only. No public comment.*

#### **V. OLD BUSINESS**

- None

#### **VI. NEW BUSINESS**

- **PEG CAPITAL FUND REQUEST NOT TO EXCEED \$206,405; PCAC request for a mobile flypack video production system, cameras and accessories, a studio communications system, laptops and accessories, information technology networking equipment, and studio flooring.**
  - **Recommendation:**
    1. Find that the proposed action is exempt from the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines Section 15061(b)(3) (Common Sense Exemption);
    2. Accept the bid dated August 7, 2023, submitted by TV Pro Gear, in response to specifications for the procurement of a mobile flypack video production system; Reject all other bids received; and Authorize the Executive Director/CEO to enter a contract with TV Pro Gear in an amount not to exceed \$134,995;
    3. Authorize the Executive Director/CEO to enter a contract, after informal selection pursuant to Pasadena Municipal Code Section 4.08.050, with the following vendors: KeyCode Media for cameras and accessories in an amount not to exceed \$24,999, Hollywood Sound Systems for a studio communications system in an amount not to exceed \$24,999, Best Buy for laptops and accessories in an amount not to exceed \$10,999, Amazon for information technology networking equipment in an amount not to exceed \$2,499, and Sav-On Carpet for studio flooring in an amount not to exceed \$7,914.
      - a. *Action Item: Gail Schaper-Gordon moved to approve the PEG Fund Request. Seconded by Beth Leyden. The motion passed unanimously.*
- STRATEGIC PLAN DISCUSSION re: determining date, location and other details for board retreat.
  - Information Item Only
  - 3 to 5 year plan; 1 day off-site
  - Gail Schaper-Gordon offered to help facilitate the focus groups if OEG, LLC has the questions structured
- APPROVAL OF A CONTRACT FOR STRATEGIC PLANNING SERVICES WITH OEG, LLC Recommendation:
  - Find that the proposed action is exempt from the California Environmental Act ("CEQA") pursuant to State CEQA Guidelines Section 15061(b)(3) (Common Sense Exemption); and
  - Authorize the Executive Director/CEP to enter into a contract with OEG, LLC for strategic planning services as described in staff report



- *Action Item: Motion by Jan Sanders, Seconded by Gail Schaper-Gordon. The motion passed unanimously. No public comment.*

**VII. ANNOUNCEMENTS BY BOARD MEMBERS AND STAFF**

- Various announcements by Board Members and Staff
- Michael Ocon has agreed to represent PCAC at the upcoming Latino Heritage Parade.

**VIII. ADJOURNMENT**

- *Chair/President Chawkins adjourned the meeting at 8:27pm.*

**FUTURE MEETING DATES**

- **October 3, 2023**
- **November 7, 2023**
- **December 5, 2023**

**Pasadena Community Access Corporation**  
**Statement of Financial Position**

As of September 30, 2023

	Total	
	As of Sep 30, 2023	As of Jun 30, 2023 (PP)
<b>ASSETS</b>		
<b>Current Assets</b>		
<b>Bank Accounts</b>		
1010 Petty Cash	200	200
1120 Bank of America Checking (1018)	523,410	283,641
1130 Bank of America Capital - Restricted (9451)	643,495	555,842
1170 PFCU Savings (7181)	123,992	123,992
<b>Total Bank Accounts</b>	<b>\$ 1,291,096</b>	<b>\$ 963,674</b>
<b>Accounts Receivable</b>		
1200 Accounts Receivable	1,400	1,805
<b>Total Accounts Receivable</b>	<b>\$ 1,400</b>	<b>\$ 1,805</b>
<b>Other Current Assets</b>		
1210 Other Receivables	0	2,800
1330 Prepaid Insurance	10,798	10,798
<b>Total Other Current Assets</b>	<b>\$ 10,798</b>	<b>\$ 13,598</b>
<b>Total Current Assets</b>	<b>\$ 1,303,294</b>	<b>\$ 979,077</b>
<b>Fixed Assets</b>		
1600 Production Equipment	449,401	449,401
1635 Leasehold Improvements	93,898	93,898
1640 Right-to-Use Lease Assets	343,106	343,106
1650 Accumulated Depreciation	-405,992	-405,992
1660 Accumulated Depreciation - LHI	-86,073	-86,073
1670 Accumulated Amortization	-343,106	-315,272
<b>Total Fixed Assets</b>	<b>\$ 51,234</b>	<b>\$ 79,068</b>
<b>Other Assets</b>		
1800 Security Deposit	16,440	12,420
<b>Total Other Assets</b>	<b>\$ 16,440</b>	<b>\$ 12,420</b>
<b>TOTAL ASSETS</b>	<b>\$ 1,370,967</b>	<b>\$ 1,070,564</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Liabilities</b>		
<b>Current Liabilities</b>		
<b>Credit Cards</b>		
2050 Chase Visa Credit Card	4,461	8,896
2060 Divvy Credit Card	0	500
<b>Total Credit Cards</b>	<b>\$ 4,461</b>	<b>\$ 9,396</b>
<b>Other Current Liabilities</b>		
2070 Accrued Interest	0	35
2100 Payroll Liabilities	31,568	23,548
2200 Accrued Vacation	39,282	39,282
2500 Current Lease Liability	-15,797	27,787
<b>Total Other Current Liabilities</b>	<b>\$ 55,053</b>	<b>\$ 90,651</b>
<b>Total Current Liabilities</b>	<b>\$ 59,514</b>	<b>\$ 100,047</b>
<b>Total Liabilities</b>	<b>\$ 59,514</b>	<b>\$ 100,047</b>
<b>Equity</b>		
3000 Opening Bal Equity	-36,271	-36,271
3100 Retained Earnings	363,294	450,947
3200 Temporarily Restricted Assets	643,495	555,842
Net Income	340,936	
<b>Total Equity</b>	<b>\$ 1,311,453</b>	<b>\$ 970,517</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 1,370,967</b>	<b>\$ 1,070,564</b>

**Pasadena Community Access Corporation**

**Pro Forma P&L - September 2023**

**FY 2024 YTD Actual vs FY 2024 Adopted Budget**

		vs. 3 mo. Budget			vs. Full Year Budget		
	YTD Actual	YTD Budget	\$	%	FY24 Budget	\$	%
<b>Income</b>							
City of Pasadena	547,500	273,750	273,750	100.0%	1,095,000	(547,500)	-50.0%
Contributions & Grants	1,200	2,000	(800)	-40.0%	8,000	(6,800)	-85.0%
Production Services	2,595	3,500	(905)	-25.9%	32,000	(29,405)	-91.9%
Program Services	1,350	900	450	50.0%	8,000	(6,650)	-83.1%
Other Revenue	-	250	(250)	-100.0%	1,000	(1,000)	-100.0%
<b>Total Income</b>	<b>552,645</b>	<b>280,400</b>	<b>272,245</b>	<b>97.1%</b>	<b>1,144,000</b>	<b>(591,355)</b>	<b>-51.7%</b>
<b>Expenses</b>							
Payroll Expenses	167,725	170,258	2,533	1.5%	659,760	492,035	74.6%
Payroll Taxes	11,839	15,006	3,167	21.1%	58,059	46,220	79.6%
Employee Benefits	32,650	34,974	2,324	6.6%	105,745	73,095	69.1%
Occupancy Expenses	68,048	68,304	256	0.4%	226,485	158,437	70.0%
Accounting & Audit	1,350	1,350	-	0.0%	17,645	16,295	92.3%
Advertising & Marketing	150	750	600	80.1%	3,000	2,850	95.0%
Automobile Expense	103	363	260	71.6%	1,450	1,347	92.9%
Bank & Payroll Processing Fees	481	425	(56)	-13.2%	1,700	1,219	71.7%
Board Materials & Expenses	12	30	18	58.4%	120	108	89.6%
Cable Drop Fees	489	2,328	1,839	79.0%	9,312	8,823	94.7%
Contract Labor	675	450	(225)	-50.0%	1,800	1,125	62.5%
Dues and Subscriptions	-	80	80	100.0%	3,500	3,500	100.0%
Legal & Professional Fees	10,540	-	(10,540)		20,000	9,460	47.3%
Licenses, Permits & Other Fees	-	-	-		174	174	100.0%
Meals & Entertainment	375	450	75	16.6%	1,800	1,425	79.2%
Office Expense	640	1,875	1,235	65.9%	7,500	6,860	91.5%
Production Expense	8,857	7,009	(1,848)	-26.4%	21,000	12,143	57.8%
Professional Development	-	525	525	100.0%	2,100	2,100	100.0%
Travel & Lodging	35	650	615	94.6%	2,850	2,815	98.8%
<b>Total Expenses</b>	<b>303,969</b>	<b>304,826</b>	<b>858</b>	<b>0.3%</b>	<b>1,144,000</b>	<b>840,032</b>	<b>73.4%</b>
<b>Net Operating Income</b>	<b>248,677</b>	<b>(24,426)</b>	<b>273,103</b>	<b>-1118.1%</b>	<b>-</b>	<b>248,677</b>	
<b>PEG Capital Income Recognized</b>	<b>90,051</b>	<b>47,500</b>	<b>(42,551)</b>	<b>-89.6%</b>	<b>190,000</b>	<b>(99,949)</b>	<b>-52.6%</b>
<b>PEG Capital Equipment Expense</b>	<b>12,957</b>	<b>47,500</b>	<b>34,543</b>	<b>72.7%</b>	<b>190,000</b>	<b>(177,043)</b>	<b>-93.2%</b>

# Administrative Staff Report

## September 2023

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### **Community Engagement Report**

Director of Community Engagement Jasiri Jenkins-Glenn

### **Production Services Report**

Chief Production Officer Bobbie Ferguson

### **Operations Report** including Cable Complaints Received

Chief Operating Officer Chris Miller

### **Executive Director CEO Report**

Executive Director CEO George Falardeau

# Community Engagement Report - September 2023

Respectfully Submitted by Jasiri Jenkins-Glenn, Director of Community Engagement

## Membership:

- **Orientation:**
  - September
    - 12 attended of 15 sign-ups
      - 12 new members
      - 7 membership renewals
  - October
    - 15/15 people signed up, 24 people confirmed to attend
- **Member management system**
  - 235 RueShare logins in September
  - New Isaac system to go live by end of October
- **Asset Reservations:**
  - 52 equipment reservations
  - 55 facility reservations

## Community Programming:

- 20 Requests for Channel Time (RFCT) by 11 unique producers
- **Current Shows:**
  - *Pasadena Monthly* with Justin Chapman
  - *Arroyo Now* with LaTanya Norton
  - *Pasadena Media News*
  - *Portraits of the Community*
- **Shows in development and pre-production for 2024**
  - *Non-Profit Spotlight* (working title)
  - Accessibility Show possibly with Andrea Jennings as host
  - Environment focused show interviewing global experts on various hot topics
  - Business show focused on local Pasadena businesses and their owners
  - Music show highlighting the history of the music being played.

## Training:

- 41 class signups
- 34 students passed/certified

## Social Media:

- Social Media account refreshing and strategy implementation in progress

## Production Report - September 2023

Respectfully submitted by Bobbie Ferguson, Chief Production Officer

Type of Production	Number of Productions
Member Productions & Preproduction Meetings	13
Arroyo Originals - Studio	3
Arroyo Originals - Field (Includes <i>PMN</i> )	17
KPAS/City Productions	25
Pro Services	6
Special Projects	0

### Program Highlights:

- Pasadena Media successfully captured and livestreamed the 25th Annual Latino Heritage Parade.
- Staff member Aylin Acosta has recorded and hosted her first episode of *Entre Comillas*, a podcast dedicated to celebrating the rich tapestry of Latino voices and experiences in the Pasadena community and the greater Los Angeles area. Her first guest was Carlos Samaniego, the driving force behind Mariachi Arcoiris de Los Angeles—LA's first all-LGBTQ Mariachi band.
- Pasadena Media covered a number of ribbon cutting events, including the Union Street Protected Bikeway, Erewhon Store Opening on Lake Avenue, a Rotating Public Art piece at the Pasadena Convention Center, and the Jefferson Campus Pickleball Court.
- Pasadena Media captured the second Pasadena Central Library Retrofit and Repair Project Community Meeting, held at Robinson Park Recreation Center.

## Operations Report - September 2023

Respectfully submitted by Chris Miller, Chief Operating Officer

- **UPDATE - City Council Chamber Upgrade: In Progress**  
Proposals for council chamber upgrades are now under review. PEG funds still in a City account are expected to pay for the upgrades that are expected to be implemented in December.
- **UPDATE - PEG Requests: In Progress**  
Equipment orders from last month's requests are in progress. The IT equipment has arrived and is being configured. Flooring is scheduled for installation over Veterans Day weekend. Cameras and computers have been ordered. We are finalizing the flypack contract with the City and the vendor. We will purchase the studio communications system when the similar equipment is being installed in the flypack to ensure compatible frequencies are utilized.
- **FCC: Deadlock Broken**  
Anna Gomez was confirmed and sworn-in this month as the fifth FCC commissioner. This means the FCC can actually examine policies and not be stuck in a partisan deadlock as it has for the last two and half years. The announcement that the restoration of net neutrality is first on the agenda is a hopeful sign that the previous administration's actions affecting PEG access may get attention as well.
- **FY23 Audit: In Progress**  
The City re-engaged Lance, Soll & Lunghard, LLP for this year's audit. As they most recently served as the auditor in 2019, the process has not been as arduous as starting fresh with a new firm, though it has been more difficult than a normal year. We pushed hard to have a completed draft for your approval tonight, but we only have drafts of the main building blocks in your packet. We estimate that work is 95% complete, but some items may change before you see the final draft at the November 7 meeting and we do not expect any findings. The timeline still allows us to use that final draft later this month to prepare our tax return for filing on time by November 15.

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## Cable Complaint: | 5700263453312798730

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noreply via Cable Complaint

Reply-To: d\*\*\*\*\_k\*\*\*\*\*@yahoo.com

Fri, Sep 8, 2023 at 4:52 PM

### Cable Complaint

Name	D**** K*****
Address	Street Address: ### South Madison Ave Street Address Line 2: Apt ### City: Pasadena State / Province: CA Postal / Zip Code: 91101
E-mail	d****_k*****@yahoo.com
Phone Number	(6##) 7##-####
Location where the problem occurred.	Home
Choose your Cable Provider	Charter Spectrum
Type of Issue	Billing
Description of Issue	I've been trying to cancel service for the past 3 days and was on hold for 45 minutes on all times, then routed to Customer Retention and given the run around. No one is answering the phone in that department today, and been transferred to 5 different departments. Got disconnected, spent another hour and half. Just want to cancel my service and not get billed again for the following month. I dropped off three pieces of equipment at the Spectrum store on Colorado near the mall and post office and was given a receipt # 8##### in good faith to get their equipment back so I hope they don't charge me for that too.
Resolution Requested	MY ACCOUNT NUMBER IS 8#####.  I JUST WANT TO CANCEL MY SERVICE AS OF TODAY, 09/08/2023. I DON'T WANT TO GET BILLED FOR THE NEXT MONTH.



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## Cable Complaint: | 5711347853718700636

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noreply via Cable Complaint

Reply-To: e\*g\*\*\*\*\*#####@gmail.com

Thu, Sep 21, 2023 at 12:46 PM

### Cable Complaint

Name	E##### G#####
Address	Street Address: ### E Washington Blvd Unit * City: Pasadena State / Province: CA Postal / Zip Code: 91104
E-mail	e*g*****#####@gmail.com
Phone Number	(626) 3##-####
Location where the problem occurred.	Home
Choose your Cable Provider	Charter Spectrum
Type of Issue	Billing
Description of Issue	Before I was paying \$138.07 for basic service. In my Feb. bill, I was charged \$146.75. Charter made an adjustment for \$10 off for 6 months. Come Sept., my bill is now \$163.50 and again, I only have basic service. This is the second time I'm raising this issue regarding issues with Charter's billing practices. When I raised this issue about 6 years ago, a Charter administrator resolved the issue and my bill went down to \$120/month then. Now, they're charging me more than \$25.43 more after the credit of \$10 adjustment period is over. And I still have basic service all this time, nothing has changed except Charter is charging me more.
Resolution Requested	I want someone from Charter administration to look into this matter and why they kept raising my bill for a basic service. From \$138.07, to \$146.79 in Feb., and now \$163.50? I didn't request for changes or upgrades. I need this resolved and an explanation from Charter why they kept doing this kind of practices. Thank you.

## **Executive Director CEO Report - September 2023**

Respectfully submitted by George Falardeau, Executive Director CEO

Attended various meetings throughout the month, including the Pasadena Chamber of Commerce Strategic Plan meeting, The National Women's Political Caucus Greater Pasadena, and the Rotary Global Scholarship Committee meeting as Co-Chair. Also met with Andrea Jennings, Vice-Chair of the Accessibility and Disability Commission for The City of Pasadena, to discuss her involvement for a potential ADA programming on the Arroyo channel. Produced the Latino Heritage Parade 2023 and completed an interview with Chief Gene Harris for *Arroyo Now*; Jasiri Jenkins-Glenn will provide details. Also, working with PCAC Citizens Advisory Committee (CAC) Chair Phil Hopkins on finalizing a special CAC meeting this month.

Please mark your calendars for Friday, December 8<sup>th</sup> at 6 pm to attend Pasadena Media's 40<sup>th</sup> Anniversary and Annual Holiday Celebration. All elected officials have been invited and it's our hope that all board members will attend.

The following is a brief history of how Pasadena Media (PCAC) was originated forty years ago this year:

Pasadena Community Access Corporation was created circa 1983 as part of an agreement between Pasadena and the then cable provider, Falcon Cable. The agreement 'released' Falcon Cable from its obligation under the Cable Television Report and Order of 1973, which required monopoly cable providers to offer a public access channel at the provider's cost. Per the agreement, the City of Pasadena would provide and be responsible for the costs of providing a public access channel, in exchange for five additional cable channels to be provided by Falcon Cable. These additional channels would be used for a second public access channel, two municipal access channels, and two educational access channels.

The agreement stipulated that all allotted channels must have programming within six months, or unused channels would revert to cable provider control. Modulators were needed but weren't purchased. The second public access and municipal access channels were not programmed and reverted to the cable providers.

Under the Memorandum of Understanding, PCAC was created to be the umbrella for the PEG funding. A 20-year lease was also made with the owner of the Hen's Teeth location. They needed to employ a Master Control Operator to manually operate the public access channel while KPAS had an automatic controller system.

The production truck was conceived to allow for local coverage of the 1985 Olympic Games in Los Angeles. However, the production truck fabrication was not completed in time and so the games were not covered by the City of Pasadena.

Funding was insufficient to cover costs of creating separate production facilities for public, government, and education, so public access was placed in the basement of PUSD admin offices (351 South Hudson) in a shared space with educational access (KLRN). PCAC had no automated playback (live master control operator with broadcast day from 4 pm – 10 pm). Education access (via ROP – Regional Occupational Program) would allow students access to studio facilities from 4 pm to 10 pm, Monday through Friday, and all day on Saturday and Sundays.

Pasadena Presbyterian Church took control of PCAC cable channel 56, every Sunday at 7 am for cablecast of live Sunday services until noon.

Ten years ago, Pasadena Media made the transition from its former headquarters in Northwest Pasadena to its current location. During that time, we consolidated our space from the 4<sup>th</sup> floor to the 1<sup>st</sup> floor to save operating dollars and to provide a better sense of connectivity with employees, community producers, and guests.

We'll continue to research areas throughout the city with historical information regarding Pasadena Media; details forthcoming.



PASADENA COMMUNITY ACCESS  
CORPORATION  
(A COMPONENT UNIT OF THE  
CITY OF PASADENA, CALIFORNIA)

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

FINANCIAL STATEMENTS  
WITH INDEPENDENT AUDITORS' REPORT

Focused  
on YOU



PASADENA COMMUNITY ACCESS CORPORATION  
(A COMPONENT UNIT OF THE CITY OF PASADENA, CALIFORNIA)

FINANCIAL STATEMENTS WITH INDEPENDENT AUDITORS' REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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Statement of Cash Flows .....

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## PASADENA COMMUNITY ACCESS CORPORATION MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of the Pasadena Community Access Corporation's (a component unit of the City of Pasadena, California) (the Corporation) financial performance provides an overview of the Corporation's financial activities for the fiscal year ended June 30, 2023. Please read it in conjunction with the Corporation's financial statements, which begin on [page 7](#).

### FINANCIAL HIGHLIGHTS

- The Corporation's net position for the fiscal year ending June 30, 2023, was \$970,518, an increase of \$91,841 or 10.45% over the prior year.
- During the year, the Corporation had operating expenses that were \$9,233 more than the \$1,093,662 generated from the operating agreement, service contracts, and other revenues from the Corporation's programs from the fiscal year ended June 30, 2023.
- The total operating cost of all the Corporation's programs was \$1,102,895. The programmatic activities of the Corporation remained unchanged.

### USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Revenues, Expenses, and Changes in Net Position ([on pages 9 and 10](#)) provide information about the activities of the Corporation as a whole and present a long-term view of the Corporation's finances. As the Corporation operates as a business-type activity, no additional fund statements are necessary. When the Corporation charges customers for the services it provides—whether to outside customers or to the City of Pasadena or other governments—these services are reported similarly to the way a business operates.

A Statement of Cash Flows is also presented using the direct method, which portrays inflows and outflows for specific classes of operations along with an indirect reconciliation of increases to net cash provided by operations. There were no non-cash entries during the year.

#### *Reporting the Corporation's Results as a Whole*

Our analysis of the Corporation as a whole begins on [page 4](#). One of the most important questions asked about the Corporation's finances is, "Is the Corporation as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Revenues, Expenses, and Changes in Net Position report information about the Corporation as a whole and about its activities in a way this helps answer this question. These statements include all assets and liabilities using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Corporation's *net position* and changes in them. You can think of the Corporation's net position—the difference between assets and liabilities—as one way to measure the Corporation's financial health, or *financial position*. Over time, *increases or decreases* in the Corporation's net position are one indicator of whether its *financial health* is improving or deteriorating. You will need to consider other nonfinancial factors, however, such as changes in the Corporation's long-term contractual revenues and the condition of the Corporation's equipment and other assets, to assess the *overall health* of the Corporation.

## THE CORPORATION AS A WHOLE

The Corporation's net position increased from a year ago, from \$878,677 to \$970,518. Our analysis below focuses on the net position (Table 1) and changes in net position (Table 2) of the Corporation's activities.

Table 1

	June 30, 2023	June 30, 2022
Current and other assets	\$991,498	\$858,961
Capital assets, net	79,068	280,093
Total assets	1,070,566	1,139,054
Current liabilities	(72,261)	(231,974)
Noncurrent liabilities	(27,787)	(28,403)
Total liabilities	(100,048)	(260,377)
Net position:		
Net investment in capital assets	51,281	82,351
Restricted	555,842	474,874
Unrestricted	363,395	321,452
Total Net Position	\$970,518	\$878,677

*Unrestricted* net position—the part of **net position** that can be used to finance day-to-day operations without constraints established by debts, contribution restrictions, or other legal requirements—changed from \$321,452 at June 30, 2022, to \$363,395 at the end of this fiscal year. This nominal increase is a result of the Corporation's normal operation. Unless restricted by donation or grant covenant (of which the Corporation has no such restrictions at the present time), the Corporation generally can use this net position to finance continuing operations in the coming fiscal year.

**Table 2**

	For the Year Ended June 30, 2023	For the Year Ended June 30, 2022	Percentage Change From 2022
<b>Revenues</b>			
<b>Operating revenues:</b>			
Operating Agreement	\$1,052,000	\$967,000	8.8%
Service contracts	22,000	18,000	22.2%
Production and other operating revenue	19,662	42,814	-54.1%
Total operating revenues	1,093,662	1,027,814	6.4%
<b>Nonoperating revenues:</b>			
Public, education & gov't (PEG) revenue	190,581	143,220	33.1%
Interest income	61	49	24.5%
Total nonoperating revenues	190,642	143,269	33.1%
Total revenues	1,284,304	1,171,083	9.7%
<b>Operating expenses:</b>			
Salaries and benefits	772,228	699,379	10.4%
Production expense	19,487	24,628	-20.9%
Occupancy expense	41,358	44,470	7.0%
Contractual services	28,200	26,700	5.6%
General and administrative	47,357	40,260	17.6%
Depreciation and amortization	194,265	213,168	-8.9%
Total operating expenses	1,102,895	1,048,605	5.2%
<b>Nonoperating expenses:</b>			
PEG expense	89,568	-	100%
Interest expense	263	595	-55.8%
Total nonoperating expenses	89,831	595	15097.6%
Total expenses	1,192,726	1,055,792	13.0%
Changes in net position	91,841	121,883	-24.6%
Net position at beginning of year	878,677	756,794	16.1%
Net position at end of year	\$970,518	\$878,677	10.5%

Although the Corporation's total cost of programs and services had a net increase of 13.0% (\$136,934), a closer look shows that Operating expenses increased just 5.2% (\$54,290), while PEG expenses increased from \$0 to \$89,568. The Corporation's revenues had a net increase of 9.7% (\$113,221), resulting from a combination of increased Operating revenues and increased PEG revenue received from the City of Pasadena in nonoperating revenue.

#### *Budgetary Highlights*

Over the course of the year, the Board of Directors reviewed the budget during meetings. There were no budget reforecasts submitted for approval.

The Corporation's adopted operating budget was \$1,101,000 for the fiscal year ended June 30, 2023. Actual operating revenues were \$7,338 less than budget, and operating expenses were \$1,895 more than budget.



## CAPITAL ASSETS

At the end of 2023, the Corporation had \$79,068 invested in capital assets, net of accumulated depreciation. (See Table 3 below.) This amount represents a net decrease (including additions and disposals) of \$201,025 or 72% less than last year.

**Table 3**

	June 30, 2023	June 30, 2022
Production equipment	\$449,400	\$437,420
Leasehold improvements	93,897	93,897
Right-to-use leased building	343,106	361,848
Accumulated depreciation and amortization	(807,335)	(613,072)
Property and equipment, net	<u>\$79,068</u>	<u>\$280,093</u>

More detailed information about the Corporation's capital assets is presented in Note 3 to the financial statements.

## LONG-TERM LIABILITIES

The outstanding balance of the lease payable related to its leased office and production facilities was \$27,787 and \$197,742 as of June 30, 2023 and 2022 respectively.

## ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Corporation's Board of Directors considered many factors when setting the fiscal year 2024 budget. The most significant budget expense increase is in personnel salary market adjustments.

## CONTACTING THE CORPORATION'S FINANCIAL MANAGEMENT

This financial report is designed to provide our stakeholders including donors, customers, and the City of Pasadena's officials with a general overview of the Corporation's finances and to show the Corporation's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Corporation Office at 150 S. Los Robles Avenue, Suite 101, Pasadena, California, 91101. Our main office number is 626-794-8585 and our email is [info@pasadenamedia.org](mailto:info@pasadenamedia.org).

PASADENA COMMUNITY ACCESS CORPORATION

STATEMENT OF NET POSITION  
JUNE 30, 2023

	<u>2023</u>
<b>Assets</b>	
Current:	
Cash	\$ 407,833
Receivables:	
Accounts	4,605
Prepaid assets	10,798
Deposits	12,420
Restricted:	
Cash and investments	<u>555,842</u>
<b>Total Current Assets</b>	<u>991,498</u>
Noncurrent:	
Capital assets, net of accumulated depreciation/amortization	<u>79,068</u>
<b>Total Noncurrent Assets</b>	<u>79,068</u>
<b>Total Assets</b>	<u>1,070,566</u>
<b>Liabilities, Deferred Inflows of Resources, and Net Position:</b>	
<b>Liabilities</b>	
Current:	
Accounts payable and other liabilities	9,396
Accrued salaries and benefits	23,548
Accrued interest	35
Compensated absences	39,282
Current portion of lease payable	<u>27,787</u>
<b>Total Liabilities</b>	<u>100,048</u>
<b>Net Position</b>	
Net investment in capital assets	51,281
Restricted Assets	555,842
Unrestricted	<u>363,395</u>
<b>Total Net Position</b>	<u>\$ 970,518</u>
<b>Total Liabilities, Deferred Inflows of Resources, and Net Position</b>	<u>\$ 1,070,566</u>

The accompanying notes are an integral part of these financial statements.

PASADENA COMMUNITY ACCESS CORPORATION

STATEMENT OF REVENUES, EXPENSES,  
AND CHANGES IN NET POSITION  
YEAR ENDED JUNE 30, 2023

	<u>2023</u>
<b>Operating Revenues</b>	
Operating agreement	\$ 1,052,000
Service contracts	22,000
Production and other operating revenue	<u>19,662</u>
<b>Total Operating Revenues</b>	<u><b>1,093,662</b></u>
<b>Operating Expenses</b>	
Salaries and benefits	772,228
Production expense	19,487
Occupancy expense	41,358
Contractual services	28,200
General and administrative	47,094
Depreciation/amortization	<u>194,265</u>
<b>Total Operating Expenses</b>	<u><b>1,102,632</b></u>
Operating Loss	<u>(8,970)</u>
<b>Nonoperating Revenues (Expenses)</b>	
Public, education, and government (PEG) revenue	190,581
Interest expense	(263)
PEG expense	(89,568)
Interest income	<u>61</u>
<b>Total Nonoperating Revenues (Expenses)</b>	<u><b>100,811</b></u>
Changes in Net Position	<u>91,841</u>
<b>Net Position</b>	
Beginning of Year	<u>878,677</u>
<b>End of Year</b>	<u><u><b>\$ 970,518</b></u></u>

The accompanying notes are an integral part of these financial statements.

## PASADENA COMMUNITY ACCESS CORPORATION

STATEMENT OF CASH FLOWS  
YEAR ENDED JUNE 30, 2023

	<u>2023</u>
<b>Cash Flows from Operating Activities</b>	
Cash received from customers	\$ 19,662
Cash received from contracts	1,069,495
Cash paid to employees for services	(763,977)
Cash paid to suppliers for goods and services	<u>(134,978)</u>
<b>Net Cash Provided by (Used in) Operating Activities</b>	<u><b>190,202</b></u>
<b>Cash Flows from Non-Capital Financing Activities:</b>	
Public, education, and government (PEG) revenue received from City of Pasadena	190,581
Public, education, and government (PEG) eligible expenses paid	<u>(89,568)</u>
<b>Net Cash Provided (Used) by Non-Capital Financing Activities</b>	<u><b>101,013</b></u>
<b>Cash Flows from Capital and Related Financing Activities</b>	
Acquisition of capital assets	(11,982)
Disposal of capital assets	18,742
Principal paid on lease liability	<u>(169,955)</u>
<b>Net Cash Provided by (Used in) Capital and Related Financing Activities</b>	<u><b>(163,195)</b></u>
<b>Cash Flows from Investing Activities:</b>	
Investment income	<u>61</u>
<b>Net Cash Provided by (Used in) Investment Activities</b>	<u><b>61</b></u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>128,081</b>
Cash and Cash Equivalents at Beginning of Year	<u>835,857</u>
<b>Cash and Cash Equivalents at End of Year</b>	<u><b>\$ 963,938</b></u>
<b>Reconciliation of Operating Loss to Net Cash Provided by (Used in) Operating Activities</b>	
Operating Loss	\$ (8,970)
<b>Adjustments to Reconcile Operating Loss to Net Cash Provided by (Used in) Operating Activities</b>	
Depreciation	194,265
(Increase) decrease in accounts receivable	(4,505)
(Increase) decrease in prepaid assets	(214)
Increase in accounts payable and accrued expenses	<u>9,626</u>
<b>Total Adjustments</b>	<u><b>199,172</b></u>
<b>Net Cash Provided by (Used in) Operating Activities</b>	<u><b>\$ 190,202</b></u>

The accompanying notes are an integral part of these financial statements.

## PASADENA COMMUNITY ACCESS CORPORATION

### NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED) FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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#### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Pasadena Community Access Corporation have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The Pasadena Community Access Corporation's significant accounting policies are described below.

##### **A. Reporting Entity**

The Pasadena Community Access Corporation (the Corporation) was organized in 1983 as a nonprofit, telecommunications resource for the City of Pasadena, California (the City). The Corporation was organized to perform the community access function of the Pasadena telecommunications system pursuant to the Cable Communications Ordinance of the City. In 2011, the City Council determined that the Corporation should be reported as a discretely presented component unit of the City in accordance with accounting principles generally accepted in the United States of America (GAAP).

The Board of Directors consists of eleven members with representatives from each of the seven City Council Districts, the Mayor, the City Manager, Pasadena Community College (PCC), and Pasadena Unified School District (PUSD). Residency is required except for the City Manager, PCC, and PUSD representatives. These operations constitute part of the overall financial reporting entity of the City and are accounted for as a discretely presented component unit in the City's Comprehensive Annual Financial Report consistent with GAAP. Revenues and expenses of the Corporation include direct revenues and expenses and certain allocations from the City.

##### **B. Basis of Presentation – Fund Financial Statements**

The Corporation's basic financial statements are presented in conformance with Governmental Accounting Standards Board (GASB) Statement No. 34, which established standards for external financial reporting for all state and local governmental entities. The basic financial statements include the statement of net position, statement of revenues, expenses, and changes in net position, and statement of cash flows.

##### **C. Measurement Focus and Basis of Accounting**

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of recognition in the financial statements of various kinds of transactions or events.

The Corporation is accounted for as an enterprise fund (proprietary fund type). A fund is an accounting entity with a self-balancing set of accounts established to record the financial position and results of operations of a specific governmental activity. The activities of enterprise funds closely resemble those of ongoing businesses in which the purpose is to conserve and add to basic resources while meeting operating expenses from current revenues. Enterprise funds account for operations that provide services on a continuous basis and are substantially financed by revenues derived from user charges. The Corporation utilizes the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized as they are incurred.

PASADENA COMMUNITY ACCESS CORPORATION

NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

**D. Assets, Liabilities, and Net Position/Fund Balance**

**1. Cash and Cash Equivalents**

The Pasadena Community Access Corporation's cash and cash equivalents include cash on hand, and short-term investments with original maturities of three months or less from the date of acquisition. For purposes of the statement of cash flows, the Pasadena Community Access Corporation's proprietary funds consider their demand deposits and all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

**2. Prepaid Items**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

**3. Capital Assets**

The Corporation capitalizes assets having an estimated useful life in excess of one year and acquisition cost of at least \$5,000. Capital assets are recorded either at acquisition cost or initial lease liability amount (for right-to-use leased assets) and are depreciated or amortized (for right-to-use lease assets) over the estimated useful life of the asset using the straight-line method of depreciation/ amortization. Donated capital assets are recorded at acquisition value as of the date of the donation. All significant expenditures exceeding \$5,000 for repairs, renewals, and betterments that materially prolong the useful lives of the asset or remeasurements of lease liability (for right-to-use leased assets) are capitalized.

Land and construction in progress are not depreciated. The other tangible and intangible property, plant, equipment, the right to use leased equipment, and infrastructure of the primary government are depreciated/amortized using the straight-line method over the following estimated useful lives:

Leasehold improvements	6 years
Furniture and fixtures	5 years
Production equipment	5 years
Right-to-Use Leased Building	3 years

**4. Net Position**

The difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources is called net position. Net position is comprised of three components: net investment in capital assets, restricted, and unrestricted.

- *Net investment in capital assets* consists of capital assets, net of accumulated depreciation/amortization and reduced by outstanding balances of bonds, notes, and other debt that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are included in this component of net position.

## PASADENA COMMUNITY ACCESS CORPORATION

### NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED) FOR THE FISCAL YEAR ENDED JUNE 30, 2023

#### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

- *Restricted* net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Assets are reported as restricted when constraints are placed on asset use either by external parties or by law through constitutional provision or enabling legislation.
- *Unrestricted* net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that does not meet the definition of the two preceding categories.

Sometimes the Pasadena Community Access Corporation will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Pasadena Community Access Corporation's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

#### 5. Leases

Lessee: The Pasadena Community Access Corporation is a lessee for a noncancellable lease of office and production facilities. Pasadena Community Access Corporation recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. The Pasadena Community Access Corporation recognizes lease liabilities with an initial, individual value of \$5,000 or more.

At the commencement of a lease, the Pasadena Community Access Corporation initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life. Key estimates and judgments related to leases include how the Corporation determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The Pasadena Community Access Corporation uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the Pasadena Community Access Corporation generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the Pasadena Community Access Corporation is reasonably certain to exercise.

The Pasadena Community Access Corporation monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

At the commencement of a lease, the Pasadena Community Access Corporation initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.



## PASADENA COMMUNITY ACCESS CORPORATION

### NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED) FOR THE FISCAL YEAR ENDED JUNE 30, 2023

#### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Key estimates and judgments include how the Pasadena Community Access Corporation determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The Pasadena Community Access Corporation uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The Pasadena Community Access Corporation monitors changes in circumstances that would require a remeasurement of its lease, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

#### **E. Revenues and Expenditures/Expenses**

##### **1. *Program Revenues***

Amounts reported as *program revenues* include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided or fines imposed by a given function or segment, and (2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

##### **2. *Compensated Absences***

###### Vacation

The Pasadena Community Access Corporation's policy permits employees to accumulate earned but unused vacation benefits. Regular full-time and part-time employees accrue vacation. Vacation time is accrued two to four weeks per year, depending on how long an employee has been with the Corporation. Part-time employees who work 20 hours per week or more are eligible to accrue vacation on a pro rata basis. It is the Corporation's policy to permit employees to accumulate earned but unused vacation benefits from year to year up to a maximum of two times a full-time employee's annual vacation amount. All accumulated compensated absences are recorded as an expense and a liability at the time the benefit is earned.

##### **3. *Proprietary Funds Operating and Nonoperating Revenues and Expenses***

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water fund, transit fund, and internal service funds are charges to customers for sales and services. The water fund also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.



PASADENA COMMUNITY ACCESS CORPORATION

NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

**F. New GASB Pronouncements Effective during Fiscal Year**

The following Government Accounting Standards Board (GASB) pronouncements were effective for and/or early implemented for the fiscal year ended June 30, 2023:

**1. *GASB Statement No. 91, Conduit Debt Obligations***

The requirements of this Statement will improve financial reporting by eliminating the existing option for issuers to report conduit debt obligations as their own liabilities, thereby ending significant diversity in practice. The clarified definition will resolve stakeholders' uncertainty as to whether a given financing is, in fact, a conduit debt obligation. Requiring issuers to recognize liabilities associated with additional commitments extended by issuers and to recognize assets and deferred inflows of resources related to certain arrangements associated with conduit debt obligations also will eliminate diversity, thereby improving comparability in reporting by issuers. Revised disclosure requirements will provide financial statement users with better information regarding the commitments issuers extend and the likelihood that they will fulfill those commitments. That information will inform users of the potential impact of such commitments on the financial resources of issuers and help users assess issuers' roles in conduit debt obligations.

**2. *GASB Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements***

The requirements of this Statement will improve financial reporting by establishing the definitions of PPPs and APAs and providing uniform guidance on accounting and financial reporting for transactions that meet those definitions. That uniform guidance will provide more relevant and reliable information for financial statement users and create greater consistency in practice. This Statement will enhance the decision usefulness of a government's financial statements by requiring governments to report assets and liabilities related to PPPs consistently and disclose important information about PPP transactions. The required disclosures will allow users to understand the scale and important aspects of a government's PPPs and evaluate a government's future obligations and assets resulting from PPPs.

**3. *GASB Statement No. 96, Subscription-Based Information Technology Arrangements***

The requirements of this Statement will improve financial reporting by establishing a definition for SBITAs and providing uniform guidance for accounting and financial reporting for transactions that meet that definition. That definition and uniform guidance will result in greater consistency in practice. Establishing the capitalization criteria for implementation costs also will reduce diversity and improve comparability in financial reporting by governments. This Statement also will enhance the relevance and reliability of a government's financial statements by requiring a government to report a subscription asset and subscription liability for a SBITA and to disclose essential information about the arrangement. The disclosures will allow users to understand the scale and important aspects of a government's SBITA activities and evaluate a government's obligations and assets resulting from SBITAs.

**4. *GASB Statement No. 100, Accounting Changes and Error Corrections***

The requirements of this Statement will improve the clarity of the accounting and financial reporting requirements for accounting changes and error corrections, which will result in greater consistency in application in practice. In turn, more understandable, reliable, relevant, consistent, and comparable information will be provided to financial statement users for making decisions or assessing accountability. In addition, the display and note disclosure requirements will result in more consistent, decision useful, understandable, and comprehensive information for users about accounting changes and error corrections.

## PASADENA COMMUNITY ACCESS CORPORATION

### NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED) FOR THE FISCAL YEAR ENDED JUNE 30, 2023

#### Note 2: CASH AND CASH EQUIVALENTS

As of June 30, 2023, cash and cash equivalents were reported in the accompanying financial statements:

Cash on hand	\$	200
Deposits with financial institutions		407,633
Deposits with financial institutions - Restricted		555,842
		<hr/>
Total cash and cash equivalents	\$	963,675

#### A. Deposits

At June 30, 2023, the carrying amount of the Corporation's deposits was \$963,475 and the bank balance was \$963,475. These matching amounts represent no outstanding checks or other reconciling items. Balances in the bank are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. Included in the bank balance, the Corporation had a funds in a credit union totaling \$123,992. This amount is insured by the National Credit Union Administration (NCUA) up to \$250,000.

#### B. Restricted Deposits

Restricted deposits, as further described in Notes 6C and 7, are to be utilized for eligible PEG capital expenditures. The total amount of restricted deposits at June 30, 2023 was \$555,842.

#### C. Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are the possession of another party. The California Government Code does not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The fair value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure the Corporation's deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. At June 30, 2023, the Corporation had uncollateralized deposits in excess of FDIC coverage of \$589,483.

#### D. Investments Authorized by the California Government Code and the City's Investment Policy

The table below identifies the investment types that are authorized for the City by the California Government Code and the City's investment policy. The table also identifies certain provisions of the California Government Code (or the City's investment policy, if more restrictive) that address interest rate risk, credit risk, and concentration of credit risk. This table does not address investments of debt proceeds held by bond trustee that are governed by the provisions of debt agreements of the City, rather than the general provisions of the California Government Code or the City's investment policy.

**PASADENA COMMUNITY ACCESS CORPORATION**

**NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**Note 2: CASH AND CASH EQUIVALENTS (continued)**

Investment Types Authorized by the California Government Code	Authorized by Investment Policy	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local Agency Bonds	Yes	5 Years	None	None
U.S. Treasury Obligations	Yes	5 Year	None	None
U.S. Agency Securities	Yes	5 Years	None	None
Bankers' Acceptances	Yes	180 Days	40%	30%
Commercial Paper	Yes	270 Days	25%	10%
Negotiable Certificates of Deposit	Yes	5 Years	30%	None
Repurchase Agreements	Yes	1 Year	None	None
Reverse Repurchase Agreements	Yes	92 Days	20%	None
Medium-Term Notes	Yes	5 Years	30%	None
Mutual Funds	Yes	N/A	20%	10%
Money Market Mutual Funds	Yes	N/A	20%	10%
Mortgage Pass-Through Securities	Yes	5 Years	20%	None
County Pooled Investment Funds	Yes	N/A	None	None
Local Agency Investment Fund	Yes	N/A	None	None
Joint Power Agency Pools (Other Investment Pools)	Yes	N/A	None	None

**E. Disclosures Relating to Interest Rate Risk**

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the City manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations. The Pasadena Community Access Corporation held no investments as of year ended June 30, 2023.

**F. Disclosures Relating to Credit Risk**

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The Corporation held no investments as of the year ended June 30, 2023.

**G. Concentration of Credit Risk**

In accordance with GASB Statement No. 40 requirements, the Corporation is considered to be exposed to concentration of credit risk whenever they have invested more than 5% of their total investments in any one issuer. Investments guaranteed by the U.S. Government and investments in mutual funds and external investment pools are excluded from this requirement. The Corporation held no investments as of the year ended June 30, 2023.

PASADENA COMMUNITY ACCESS CORPORATION

NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 3: CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2023 is as follows:

	Balance at June 30, 2022	Additions	Dispositions	Balance at June 30, 2023
Capital assets being depreciated:				
Production Equipment	\$ 437,420	\$ 11,980	\$ -	\$ 449,400
Leasehold Improvements	93,897	-	-	93,897
Right-to-Use Leased Buildings	361,848	(18,742)	-	343,106
Total Capital Assets Being Depreciated and Amortized	893,165	(6,762)	-	886,403
Less accumulated depreciation for:				
Production Equipment	(375,640)	(30,350)	-	(405,990)
Leasehold Improvements	(70,425)	(15,648)	-	(86,073)
Right-to-Use Leased Buildings	(167,007)	(148,265)	-	(315,272)
Total Accumulated Depreciation and Amortization	(613,072)	(194,263)	-	(807,335)
Total capital assets	\$ 280,093	\$ (201,025)	\$ -	\$ 79,068

Depreciation expense for the year ended June 30, 2023, was \$194,263.

Note 4: DEFINED CONTRIBUTION RETIREMENT PLAN

Effective April 4, 2017, the Corporation adopted a Savings Incentive Match Plan for Employees Individual Retirement Account plan (the Plan) for which all employees who have completed 90 days of service are eligible to participate. The employees of the Corporation may elect to contribute to the Plan (subject to overall limits) in any one plan year. Each year the Corporation will make a matching contribution to the Plan on a dollar-for-dollar basis up to 3% of the employee's compensation, for the employees who are contributing to the Plan.

The Corporation contributed \$13,711 to the Plan for the year ended June 30, 2023.

Note 5: LEASE PAYABLE

Changes in the lease payable as of June 30, 2023, were as follows:

Balance June 30, 2022	Additions	Reductions	Balance June 30, 2023	Amount Due Within One Year	Amount Due in More than One Year
\$ 197,742	\$	\$ (169,955)	\$ 27,787	\$ 27,787	\$

The Corporation leases office and production facilities in Pasadena, California, under a noncancellable lease agreement. The lease term expired August 31, 2023. The lease payable was determined utilizing an estimated discount rate of 0.218%. Effective September 1, 2022, the monthly payment was \$13,388.

**PASADENA COMMUNITY ACCESS CORPORATION**

**NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**Note 5: LEASE PAYABLE (continued)**

The minimum annual lease payments due during the term of the lease are as follows:

Year Ending June 30,	Amount
2024	\$ 27,787

**Note 6: OTHER PROVISIONS OF REVENUE AND CONTRACTS**

**A. Franchise Fees**

On December 2, 1983, a 15-year cable franchise agreement (the Agreement) was entered into by and between the City and a cable communications operator (Cable Operator). According to the terms of the Agreement, the Corporation is entitled to receive 2% of the Cable Operator's gross revenues (as defined in the Agreement) in return for providing the public access and public service programming function of the Cable Operator's communications system. This agreement expired during the year ended June 30, 1999. The City committed to continue to fund the agreement, after expiration, until a new agreement could be reached.

Effective October 1, 2000, the City and the Cable Operator entered into a new nonexclusive franchise agreement to operate a cable television system in the City. The agreement expired on October 17, 2005, and was extended on a month-to-month basis under mutual agreement with the Cable Operator while negotiating a franchise renewal. This agreement ended prior to statewide franchising that took effect in 2008.

The City now receives 5% of the state franchise holders' gross revenues derived from the provision of video service pursuant to California Public Utilities Code Section 5840. The franchise fee is considered General Fund revenue for the City and, although the City continues to fund the Corporation at approximately 75% of the franchise fee revenue, the funding amount is at the discretion of the Pasadena City Council.

**B. Management and Operating Agreement**

On February 10, 2015, the Corporation entered into an agreement with the City to provide operation and day-to-day management of the local PEG access system, for a period of twenty-five (25) years, commencing as of the date of the Agreement, and ending July 1, 2040.

**C. 1% Public, Education, and Government (PEG) Allocation**

Pursuant to Pasadena Municipal Code 18.04.060, it was established that a fee would be paid to the City for the support of public, educational, and governmental access facilities and activities within the City. The Pasadena Municipal Code states that this fee shall be one percent (1%) of a cable provider's gross revenues, as defined in California Public Utilities Code Section 5860.

The Corporation serves as a receiving, holding, and disbursing entity for monies intended to promote noncommercial uses of the cable telecommunication medium. These funds are allocated as grants solely for PEG related purposes.

**D. Other Contracts**

The Corporation earns additional service contract revenue by providing various production services to Los Angeles County for Altadena Town Council Meetings.

**PASADENA COMMUNITY ACCESS CORPORATION**

**NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**Note 8: PEG FUNDING FROM CITY OF PASADENA**

As described in Note 6, the Corporation received \$190,581 of PEG funding during the year ended June 30, 2023. Unspent PEG funding is classified as restricted cash and net position has been restricted to the extent that no related expenses have been incurred on the statement of net position.

**Note 8: PEG FUNDING FROM CITY OF PASADENA (CONTINUED)**

As of June 30, 2023, advances from other agencies were as follows:

Beginning Restricted Cash	\$	474,847
PEG Grant:		
PEG revenue received		190,581
PEG Disbursements for Capital Grants/Equipment		89,568
PEG subtotal		143,220
Ending advances from other agencies	\$	555,842

**Note 9: Concentrations of Revenue**

For the year ended June 30, 2023, revenues derived from the City of Pasadena from the management and operating agreement described in Note 6B and the 1% PEG Allocation described in Note 6C accounted for 97% of the Corporation's total revenue.

**Note 10: Compensated Absences**

Changes in compensated absences as of June 30, 2023, were as follows:

Balance at June 30, 2022	Incurred	Satisfied	Balance at June 30, 2023	Amount Due Within One Year	Amount Due Within More than One Year
\$ 30,259	\$ 35,462	\$ 26,439	\$ 39,282	\$ 39,282	\$ -

**Note 11: Risk Management**

The Corporation is covered under Special Liability, Property and Participant Accident policies through Alliant Insurance Services, Inc. Liability and Participant Accident claims are insured for up to \$1,000,000 per occurrence for any amount over the Corporation's deductible amount of \$1,000. Property claims are insured for up to \$25,000,000 per occurrence for any amount over the Corporation's deductible amount of \$1,000.

Workers' Compensation claims are covered under a purchased policy through Hartford Accident and Indemnity Company for claims up to \$1,000,000 for each occurrence for any amount over the Corporation's deductible amount of \$1,000.



**PASADENA COMMUNITY ACCESS CORPORATION**

**NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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**Note 12: Income Taxes**

The Corporation is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and applicable state law.

The accounting standard on accounting for uncertainty in income taxes addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under that guidance, the Corporation may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by taxing authorities based on the technical merits of the position. Examples of tax positions include the tax-exempt status of the Corporation and various positions related to the potential sources of unrelated business taxable income (UBIT). The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than 50 percent likelihood of being realized upon ultimate settlement. There were no unrecognized tax benefits identified or recorded as liabilities for fiscal year ending June 30, 2019.

The Corporation files Form 990 in the U.S. federal jurisdiction and Form 199 in the State of California.

**Note 13: Related Party Transactions**

The City of Pasadena (the City) bills the Corporation for advances and services rendered on the Corporation's behalf. Advances and services provided to the Corporation for the year ended June 30, 2023 was \$20,000. The Corporation did not have an amount payable to the City as of June 30, 2023.